ORIGINAL

BEFORE THE ILLINOIS COMMERCE COMMISSION

ILLINOIS BELL TELEPHONE COMPANY

Filing to Increase Unbundled Loop and Nonrecurring Rates

Docket No. 02-0864

POST-HEARING REPLY BRIEF

of

THE UNITED STATES DEPARTMENT OF DEFENSE AND ALL OTHER FEDERAL EXECUTIVE AGENCIES

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by

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April 12, 2004

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The United States Department of Defense and All Other Federal Executive Agencies ("DoD/FEA") participated throughout this proceeding to provide conclusions and recommendations as end users concerning the charges for unbundled network elements ("UNEs") in Illinois. On May 6, 2003, DoD/FEA filed expert Direct Testimony to address the testimony and studies relating to tariffs filed by SBC Illinois. At the evidentiary hearings during the week of March 15, 2004, DoD/FEA's testimony was entered into the record pursuant to a stipulation, without cross—examination.1

On April 6, 2004, DoD/FEA submitted an Initial Post-Hearing Brief to summarize its position and recommendations in this cause. As explained in that brief, DoD/FEA identified various infirmities in the company's cost studies for UNEs. DoD/FEA urged the Commission to address these infirmities because they lead to inflated cost

¹ The Direct Testimony of Harry Gildea was marked as DoD/FEA Exhibit No. 1 and the Rebuttal Testimony of Harry Gildea was marked as DoD/FEA Exhibit No. 1.1.

estimates — and hence excessive charges — for the company's UNEs. Excessive charges will adversely affect the competitive telecommunications environment in Illinois.

In the instant Reply Brief, DoD/FEA addresses a reference in the Initial Brief of SBC Illinois, filed April 6, 2004. Specifically, In footnote 21 on page 44 of the its Initial Brief, SBC Illinois states, "Notably, Mr. Gildea, testifying on behalf of the DOD/FEA, supported use of a 45% fill rate for distribution plant (and 70% for copper feeder)." The reference cites DOD/FEA Ex. 1.0 (Gildea Direct) at page 24.

SBC Illinois has accurately stated DoD/FEA's recommended fill rates. However, DoD/FEA would like to be sure that the record is clear that DoD/FEA is <u>not</u> recommending that the Commission adopt actual fill rates, as suggested by SBC Illinois. At the same page in his testimony cited by SBC Illinois, the DoD/FEA witness stated, "[t]he sharp reduction in fills by using the current 'actual' values will have a major and potential disruptive effect on UNE costs." In place of actual fills, the DoD/FEA witness recommended target fills. DoD/FEA urges the Commission to adopt the target fills for distribution plant and copper feeder plant stated above.

² DOD/FEA Ex. 1.0, p. 24

 $^{^3}$ Id

Conclusion

WHEREFORE, the U.S. Department of Defense and All Other Federal Executive Agencies urge the Commission to adopt the recommendations set forth in this Post-Hearing Reply Brief.

Respectfully submitted

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for

The United States Department Of Defense

and

All Other Federal Executive Agencies

April 12, 2004

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the Post-Hearing Reply Brief of the United States Department of Defense and All Other Federal Executive Agencies was served on all parties on the Commission's 3/31/04 service list via E-Mail.

Dated this 9th day of April 2004, at Arlington County, Virginia.

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